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Letter dated 7 March 2012 from the Secretary-General to the President of the Security Council

Pursuant to Security Council resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009), 1948 (2010) and 2019 (2011), I have the honour to transmit the attached letters dated 9 December 2011 and 24 February 2012, which I received from the High Representative of the European Union for Foreign Affairs and Security Policy, Ms. Catherine Ashton, transmitting in turn the combined twenty-fourth and twenty-fifth quarterly reports, and the twenty-seventh and twenty-eighth quarterly reports, on the activities of the European Union military mission in Bosnia and Herzegovina (see annexes I and II). The reports cover the periods from 1 September 2010 to 28 February 2011, and from 1 June to 31 August 2011 and from 1 September to 30 November 2011, respectively.

I should be grateful if you would bring the present letter and its annexes to the attention of the members of the Security Council.

(*Signed*) **BAN** Ki-moon

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Annex I

Letter dated 9 December 2011 from the High Representative of the European Union for Foreign Affairs and Security Policy addressed to the Secretary-General

In accordance with Security Council resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009) and 1948 (2010), please find attached the twenty-seventh quarterly report on the activities of the European Union military mission in Bosnia and Herzegovina to the Council (see enclosure).

(*Signed*) Catherine **Ashton**

Enclosure

Report of the High Representative of the European Union for Foreign Affairs and Security Policy on the activities of the European Union military mission in Bosnia and Herzegovina

I. Introduction

1. The present report covers the period 1 June 2011 to 31 August 2011.

2. In its resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009) and 1948 (2010), the Security Council requested that Member States, acting through or in cooperation with the European Union, report to the Council on the activities of the European Union military mission in Bosnia and Herzegovina (EUFOR), through the appropriate channels and at least at three-month intervals. This is the twenty-seventh such report.

II. Political background

3. During the reporting period, there has been limited overall progress in Bosnia and Herzegovina. A State-level council of ministers has not yet been formed and the political environment continues to suffer as a result. Although the main political parties intensified consultations, their disagreement on the distribution of the seats within the council of ministers and on key reform issues prevented an agreement. In the meantime, the former Council of Ministers continued to function in its caretaker capacity, and thereby continued to pass and adopt legislation.

4. There has been limited progress in addressing priorities from the European Union integration agenda. The delay in formation of the authorities resulted in a postponement in the adoption of key pieces of legislation. Under the Interim Agreement and the not-yet-implemented Stabilization and Association Agreement, Bosnia and Herzegovina has to adopt a State-level State-aid law. Similarly, a credible effort is required to bring its constitution in line with the December 2009 ruling of the European Court of Human Rights. After months of inactivity, the Council of Ministers decided to set up a new working group to implement the 2009 European Court of Human Rights ruling on the Sejdić-Finci case. Similarly, the conduct of a census would be important for achievement of further progress on the European Union integration path. Anchoring the European Union agenda in the local political process and facilitating progress in these key areas, will be among the priorities of the reinforced single European Union presence on the ground. As of 1 September, Peter Sorensen has taken up office as European Union special representative and head of the European Union delegation to Bosnia and Herzegovina.

5. Nationalist rhetoric continued to prevail on all sides and the political leaders of Republika Srpska continued to question the legitimacy of institutions of Bosnia and Herzegovina. The decision to hold a referendum on the State-level judiciary, and on decisions taken by the High Representative of the international community in Bosnia and Herzegovina, was annulled after intensive international engagement and facilitation efforts by High Representative and Vice-President of the European Commission, Catherine Ashton.

6. Within the framework of the stabilization and association process, the European Union launched the "structured dialogue on justice" in June 2011. The dialogue will be a long-term instrument under the framework of the stabilization and association process. The main objective of this dialogue is to support the consolidation of the rule of law and the establishment of an independent, effective, impartial and accountable judicial system across the whole of Bosnia and Herzegovina in line with the European Union-acquis and standards.

III. Security situation and EUFOR activities

7. The overall security situation in Bosnia and Herzegovina remained calm and stable throughout the reporting period. Inflammatory nationalistic rhetoric continued, but it had no impact on the safe and secure environment. The economic situation in Bosnia and Herzegovina remained unfavourable, leading to social tension. The political stalemate, and economic and financial problems, if not addressed in an appropriate manner, could become of increasing concern. Inter-ethnic incidents increased significantly during the reporting period compared with 2010. The majority of attacks had religious overtones.

8. Despite the recurring political difficulties, the law enforcement agencies have always proved capable of dealing with threats to the safe and secure environment; and EUFOR has never been called upon to restore or assist in restoring the safe and secure environment. The annual commemoration of the Srebrenica genocide (11 July 2011), with approximately 40,000 participants, took place in a peaceful atmosphere. No relevant security incidents were reported.

9. The arrest of Goran Hadzic was followed by a number of minor incidents, mainly in Republika Srpska, and various political actors have sought to exploit Hadzic's arrest to advance their respective agendas. No significant incidents or violent protests that threatened the safe and secure environment were reported.

10. A force of some 1,300 EUFOR troops is concentrated in Sarajevo, with liaison and observation teams deployed throughout Bosnia and Herzegovina. EUFOR continued to implement its key military tasks and key supporting tasks of supporting the efforts of Bosnia and Herzegovina to maintain the safe and secure environment; and capacity-building and training support to the Armed Forces of Bosnia and Herzegovina. It also continued to support the law enforcement agencies of Bosnia and Herzegovina in the fight against organized crime in close cooperation with the European Union police mission; and the International Tribunal for the Former Yugoslavia in the search for persons indicted for war crimes.

11. Implementation of the non-executive capacity-building tasks continued during the reporting period. Twenty-two mobile training teams were deployed to Bosnia and Herzegovina to provide specific training support to the Armed Forces of Bosnia and Herzegovina following international standards. EUFOR continued to participate in combined capacity-building and training meetings together with representatives of North Atlantic Treaty Organization headquarters Sarajevo and the Armed Forces of Bosnia and Herzegovina. The implementation of the capacity-building tasks is considered a success and contributes to the improvement of the quality and expertise of the units of the Armed Forces.

12. EUFOR continued to monitor, mentor and advise in order to enhance the self-sustainability of capabilities of Bosnia and Herzegovina. In this context, EUFOR continued monitoring activities related to ammunition and weapons storage sites, civilian and military movement of weapons and military equipment, disposal of surplus weapons and ammunition, and defence industry factories.

IV. Outlook

13. The security situation is expected to remain stable, despite the prospects of continuing political difficulties.

Annex II

Letter dated 24 February 2012 from the High Representative of the European Union for Foreign Affairs and Security Policy addressed to the Secretary-General

In accordance with Security Council resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009), 1948 (2010) and 2019 (2011), please find attached the twenty-eighth quarterly report and the combined twenty-fourth and twenty-fifth reports to the Council on the activities of the European Union military mission (EUFOR) in Bosnia and Herzegovina (see enclosures I and II).

(*Signed*) Catherine **Ashton**

Enclosure I

Report of the High Representative of the European Union for Foreign Affairs and Security Policy on the activities of the European Union military mission in Bosnia and Herzegovina

I. Introduction

1. The present report covers the period from 1 September 2011 to 30 November 2011.

2. In its resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009), 1948 (2010) and 2019 (2011), the Security Council requested that Member States, acting through or in cooperation with the European Union, report to the Council on the activities of the European Union military mission in Bosnia and Herzegovina (EUFOR) at least at three-month intervals. This is the twenty-eighth such report.

II. Political background

3. During the reporting period, the political and economic situation continued to deteriorate, in the absence of a State-level council of ministers and a 2011 budget. The reform process stagnated. State institutions have been funded under a restricted temporary financing mechanism since January, and key institutions for the process of European integration are not yet functional. International credit-rating agencies have downgraded Bosnia and Herzegovina, citing the difficult political situation. Recorded unemployment of the workforce was estimated at approximately 43 per cent at the end of June 2011, while foreign direct investment in the first half of 2011 had decreased by 19.5 per cent over the same period in 2010.

4. The 2011 European Union progress report of 12 October stated that Bosnia and Herzegovina is the only country in the region in which little progress has been made on the European Union integration and structural reform agendas, owing to the political stalemate following the 2010 election.

5. Despite initial positive signals, progress was limited on the three European Union agenda priorities: the adoption of State-aid law; census law; and the implementation of the Sejdić-Finci ruling of the European Court of Human Rights. The delay in establishing the authorities resulted in a postponement in the adoption of key pieces of legislation. A series of high-level technical meetings in the European Union-Bosnia and Herzegovina structured dialogue on justice, national coordination of the instrument for pre-accession, transport and energy attested that, at the level of the national authorities, the political will to coordinate and compromise on European Union integration is lacking.

6. The debates centred around the formation of State authorities and the implementation of the Sejdić-Finci ruling have shown a clear tendency among political parties to prioritize ethnic interests rather than civic and European ones. Croats therefore tend to demand a third entity; Republika Srpska parties demand more autonomy and a parallel track for the accession negotiations; and Bosniaks interpret the European process as an opportunity to create a stronger State, with one president and a supreme court.

III. Security situation and EUFOR activities

7. The overall security situation in Bosnia and Herzegovina remained stable throughout the reporting period. Use of inflammatory nationalistic rhetoric continued, but it had no impact on the safe and secure environment. The economic situation in Bosnia and Herzegovina remained unfavourable, leading to social tension. The political stalemate and the economic and financial problems, if not properly addressed, could become growing concerns. Unemployment continued to rise, and different sources put the figure as high as 42 per cent. Inter-ethnic incidents increased significantly during the reporting period, as compared with 2010. The majority of attacks had a religious element. The terrorist attack carried out by a young Serb Muslim on the embassy of the United States of America in Sarajevo on 28 October, which wounded a police officer, was an act of an individual fanatic with no links to global terrorist groups. The perpetrator was captured. Organized crime is characterized by a large number of small groupings, with no consolidated and permanent links among themselves. The large number of unregistered weapons allow for such activities.

8. Corruption, especially in the public sector, continues to be a concern, and such cases are in general not successfully prosecuted, owing either to lengthy court proceedings or to the inefficiency of the courts.

9. Despite the ongoing political difficulties, the law enforcement agencies have proved themselves capable of dealing with threats, and EUFOR has not been called upon.

10. A force of some 1,200 EUFOR troops is concentrated in Sarajevo, with liaison and observation teams deployed throughout Bosnia and Herzegovina. Currently, 25 nations (20 European Union members and 5 non-members) are providing troops to the operation. EUFOR continued to implement its key military tasks of supporting the efforts of Bosnia and Herzegovina to maintain the safe and secure environment and providing training assistance to the authorities in Bosnia and Herzegovina. It also continued its key supporting tasks of supporting and advising, within means and capabilities, the European Union special representative, the European Union police mission and other international community actors in Bosnia and Herzegovina, including on counter-terrorism and the fight against organized crime.

11. Non-executive capacity-building tasks continued during the reporting period. Twenty-two mobile training teams were deployed to Bosnia and Herzegovina to provide specific training support to the Armed Forces of Bosnia and Herzegovina, following international standards. EUFOR continued to participate in capacity-building and training meetings, together with representatives of North Atlantic Treaty Organization (NATO) headquarters Sarajevo and of the Armed Forces of Bosnia and Herzegovina. The capacity-building and training are considered a success, and contributes towards achieving a self-sustaining training system operating in accordance with international standards.

12. EUFOR continued to monitor, mentor and advise in order to enhance the self-sustainability of Bosnia and Herzegovina. In this context, EUFOR continued monitoring activities related to ammunition and weapons storage sites, the civilian and military movement of weapons and military equipment, the disposal of surplus weapons and ammunition, and defence industry factories.

13. On 10 October, the European Union Foreign Affairs Council confirmed the readiness of the European Union at this stage to continue to play an executive military role in support of the efforts of Bosnia and Herzegovina to maintain the safe and secure environment under a renewed United Nations mandate. The main efforts of Operation Althea will be directed towards capacity-building and training, while maintaining situational awareness and a credible reserve, in case it is called upon to support efforts to maintain or restore the safe and secure environment. The Operation will be reconfigured, with forces based in Bosnia and Herzegovina, to focus on capacity-building and training, while also retaining the means to contribute to the deterrence capacity of the authorities in Bosnia and Herzegovina. A reserve force will be based over the horizon with regular in-country reconnaissance and rehearsal.

IV. Outlook

14. The security situation is expected to remain stable, despite the prospects of continuing political difficulties. There is no indication that the tense situation in northern Kosovo will have a negative impact on the creation of a safe and secure environment in Bosnia and Herzegovina.

Enclosure II

Report of the High Representative of the European Union for Foreign Affairs and Security Policy on the activities of the European Union military mission in Bosnia and Herzegovina

I. Introduction

1. The present report covers the period from 1 September 2010 to 28 February 2011.

2. In its resolutions 1575 (2004), 1639 (2005), 1722 (2006), 1785 (2007), 1845 (2008), 1895 (2009) and 1948 (2010), the Security Council requested that Member States, acting through or in cooperation with the European Union, report to the Council on the activities of the European Union military mission in Bosnia and Herzegovina (EUFOR), through the appropriate channels and at least at three-month intervals. The report combines the twenty-fourth and twenty-fifth such reports.

II. Political background

3. The general elections of 3 October were held peacefully. The Office for Democratic Institutions and Human Rights assessed that they were generally in line with international standards. Voter turnout was 57 per cent, a figure slightly higher than that for 2006. Following the certification of the election results on 2 November, the Republika Srpska national assembly and the Federation house of representatives held their constitutive sessions on 15 and 22 November, respectively. The House of Representatives of Bosnia and Herzegovina held its inaugural session on 30 November.

4. The use of nationalistic and provocative rhetoric on all sides increased in the run-up to the general elections and continued thereafter. Progress with regard to government formation and consequently on the reform agenda, has been limited. A government has been formed in Republika Srpska, but not yet in the Federation or at State level. The Presidency held its inaugural session on 10 November. In the Federation, Croat-Bosniak relations deteriorated after the general elections, largely as a result of disagreement over government formation and the identity of the legitimate representatives of Bosnian Croats.

5. The Peace Implementation Council Steering Board met in Sarajevo on 30 November and 1 December. Members of the newly elected Presidency of Bosnia and Herzegovina participated in segments of the meeting, as did representatives of civil society organizations. The Steering Board urged the rapid formation of a government at all levels that would be dedicated to reforms promoting the country's economic and social advancement and accelerating its progress in the European Union and Euro-Atlantic integration processes. It welcomed the renewal of the EUFOR executive mandate by the Security Council (resolution 1948 (2010)) on 18 November; and expressed its appreciation for the operation's continued role in ensuring compliance with the military annexes of the Dayton Agreement and supporting the efforts of Bosnia and Herzegovina to maintain the safe and secure environment. The next meeting of the Steering Board will be held on 29 and 30 March 2011.

6. On 8 November, the Council of the European Union granted visa liberalization to Bosnia and Herzegovina. The decision entered into force on 15 December 2010.

7. There was no progress on constitutional reform following the European Court of Human Rights ruling of December 2009. The working group, despite being mandated to discuss and propose specific solutions, produced no tangible results in the reporting period. A State-level census law has yet to be adopted; and Bosnia and Herzegovina has also failed to adopt a State-aid law which is a key European Union requirement in line with the Stabilization and Association Agreement and the Interim Agreement. Republika Srpska adopted its own state property law which, if implemented, would defy an earlier High Representative ban on disposal. As a result, the High Representative issued a decision on 5 January 2011 freezing the implementation of the Republika Srpska state property law while its constitutionality is being considered by the Constitutional Court of Bosnia and Herzegovina. On a more positive note, there was progress towards fulfilling the conditions required for the closure of Brcko district supervision, particularly in relation to electricity.

8. The financial situation at the State levels and in both entities continued to be difficult. A decision on the disbursement of the fourth tranche ($187.1 million) of the International Monetary Fund (IMF) loan was taken on 15 October. The agreement for the European Union to provide budget support through European Commission macrofinancial assistance in the amount of €100 million was signed on 8 October. However, these funds have not yet been disbursed owing to the failure of Bosnia and Herzegovina to agree on a global fiscal framework 2011-2013 for the entire country. A budget for 2011 has been adopted in Republika Srpska for 2011 but not at the state level nor in the Federation.

III. Security situation and EUFOR activities

9. The overall security situation in Bosnia and Herzegovina remained calm and stable throughout the reporting period. Although the use of nationalistic rhetoric persisted, it had no impact on the safe and secure environment. The unfavourable economic situation, together with late payment of salaries, led to further strikes in Sarajevo and other major cities. These were handled professionally and capably by law enforcement agencies of Bosnia and Herzegovina and had no impact on the overall security situation.

10. There were some minor incidents of violence, especially between rival football fans of different ethnicities, but these were monitored and handled by the local police. These minor incidents aside, the overall level of violence continued to be low and did not pose a threat to the safe and secure environment.

11. A force of some 1,500 EUFOR troops is concentrated in Sarajevo, with liaison and observation teams deployed throughout Bosnia and Herzegovina. EUFOR continued to implement its key military tasks of supporting the efforts of Bosnia and Herzegovina to maintain the safe and secure environment; and providing capacity-building and training support to the Armed Forces of Bosnia and Herzegovina. It also continued to support the law enforcement agencies of Bosnia and Herzegovina in fighting organized crime in close cooperation with the European Union police mission; and the International Tribunal for the Former Yugoslavia in the search for persons indicted for war crimes (PIFWCs).

12. Implementation of the operation's new non-executive capacity-building tasks continued during the reporting period. A number of mobile training teams were deployed to Bosnia and Herzegovina to provide specific training support to the Armed Forces of Bosnia and Herzegovina. EUFOR participated in combined capacity-building and training conferences together with representatives of the North Atlantic Treaty Organization and the Armed Forces of Bosnia and Herzegovina. Implementation of these tasks has been judged a success, and is helping to improve the quality and know-how of units of the Armed Forces.

13. EUFOR and the Armed Forces of Bosnia and Herzegovina continued to conduct combined training in accordance with the EUFOR/Armed Forces training calendar, by including specialized training elements, and in line with international training requirements and standards.

14. EUFOR continued to monitor, mentor and advise in order to enhance the self-sustainability of capabilities of Bosnia and Herzegovina. In this context, EUFOR monitored activities related to ammunition and weapons storage sites, civilian and military movement of weapons and military equipment, disposal of surplus weapons and ammunition, and defence industry factories. Demining activities have also continued: EUFOR assisted the authorities of Bosnia and Herzegovina in a programme of mine risk education targeted at individuals (for example, farmers) who have a high risk of injury or death from mine-related accidents. By the end of the reporting period, 20,000 people had participated in the programme.

IV. Outlook

15. The security situation is expected to remain stable, despite the prospects of continuing political difficulties.